

U.S.-Peru Trade Promotion Agreement Market Access Results

Information Technology Agreement Products

Trade and Tariffs

This sector is defined by products included within the World Trade Organization's Information Technology Agreement (ITA). ITA products accounted for 11.8 percent of total U.S. industrial exports to Peru in 2007, totaling over \$374 million. The top U.S. exports in this sector included computers and computer parts, cell phones, and transmission and reception apparatus. Peruvian tariffs range between zero and 12 percent, with an average of 5.8 percent.

Peruvian exports to the United States totaled almost \$2.4 million in 2007, or less than 1 percent of total Peruvian industrial exports to the United States. Top Peruvian exports to the United States included optical media and computer parts. The United States is a signatory to the ITA, and thus imposes zero duties on these products.

Tariff Elimination

Overall, tariffs will be phased out according to four tariff elimination categories: immediate elimination, equal cuts over five years, equal cuts over seven years, and equal cuts over ten years.

For ITA products, almost all U.S. industrial exports will receive duty-free treatment immediately upon implementation of the agreement. Duties on a few electrical conductors will be eliminated over five years. Additionally, Peru has agreed to join the ITA multilaterally by January 1, 2008.

Non-Tariff Barriers

Peru will eliminate its prohibition on the importation of remanufactured ITA goods, as defined in Chapter Four - Rules of Origin, on entry into force of the Agreement. Peru will eliminate tariffs on most remanufactured ITA goods immediately and will phase down tariffs on a small number of remanufactured goods over 10 years.